

FISCAL NOTE

Bill #: HB0299

Title: Long-range building program bonds

Primary Sponsor: Wells, J

Status: As Introduced

Sponsor signature	Date	David Ewer, Budget Director	Date
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Fiscal Summary

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
Expenditures:		
State Special Revenue	\$0	\$99,211
Revenue:		
State Special Revenue	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|--|---|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. The bonds will be issued in May 2006, based on information provided by Montana Department of Transportation (MDT) personnel.
2. The bonds for the proposed program will be retired by the highways special revenue fund. The MDT will transfer the funds to the Department of Administration prior to each bond payment. There will be no impact to the general fund.
3. The bonds will have a 10-year term.
4. The first bond payment will be due in February 2007.
5. The debt service for the 2007 biennium was calculated using a 3.75% interest rate, which was provided by Piper Jaffray & Co., the state's financial advisor.

Fiscal Note Request HB0299, As Introduced
(continued)

FISCAL IMPACT:

	<u>FY 2006 Difference</u>	<u>FY 2007 Difference</u>
<u>Expenditures:</u>		
Transfers	\$0	\$99,211
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$0	\$99,211
<u>Revenues:</u>		
State Special Revenue (02)	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	\$0	(\$99,211)

LONG-RANGE IMPACTS:

The debt service will be approximately \$612,623 in FY08 and \$612,310 in FY09, with the final payment being made in 2017.

Fiscal Year	Debt Service
2006	0
2007	99,211
2008	612,623
2009	612,310
2010	611,984
2011	611,647
2012	611,297
2013	610,934
2014	610,557
2015	610,166
2016	609,760
2017	609,339
Total	6,209,828